

The Convergence of Moods and the Cuban-Bond "Conspiracy" of 1898

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IT is hardly possible to understand American foreign policy in 1898 without reference to the emotional atmosphere in the United States on the eve of war with Spain. There is far more to this story, however, than the usual account of jingoistic hysteria or the clamor of the "yellow press." The emotional responses of Americans in 1898 must be examined in a broad historical framework, and the impact of these emotions should be examined in detail.¹

Events of the late-nineteenth century provide the essential background for an understanding of American attitudes in the war crisis. The economic depression of the 1890s and problems of a slowly maturing urban-industrial society had aroused deep frustrations and generated sharp political clashes. There was a mood of hostility toward vested economic interests and of sympathy for the downtrodden farmer and workingman. But there was also a mood of buoyancy and of confidence about the nation. These psychical responses had their parallel in attitudes about foreign affairs, for there existed a mood of aggressiveness, especially toward England and Spain, and of concern for the unfortunate, in this case the Cuban people. Furthermore, the mood of protest-reform that was typical of the Populist movement and the campaign of William Jennings Bryan and the mood of assertive nationalism that was derived from domestic frustrations converged at a crucial moment in 1898 with complex results. The principal outcome was the appearance of a series of myths which gained credibility among certain Democrats and in other circles where Populist-style thinking prevailed. The application of these myths to foreign affairs was novel, though their themes were familiar; and their impact was significant, for

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¹ A stimulating general discussion of such factors is found in Richard Hofstadter, "Manifest Destiny and the Philippines," Daniel Aaron, ed., *Fourteen Crucial Episodes in American History* (New York, 1952), 173-200.

they inspired anti-imperialistic manifestations in the case of Cuba but facilitated expansionist aims for the Philippines.

The election of 1896 provides a useful point of departure for understanding these phenomena. The conventions and platforms of the three political parties reveal much about the different tensions then gripping America. The Republican party, insofar as one can generalize, was anxious about the domestic economy and afraid of the agitation of radical silverites. But the Grand Old Party simultaneously revealed a confident face as well. The convention of 1896 displayed considerable optimism over political prospects, and the party's ranks were cohesive—even more so after two dozen silver Republican delegates bolted. The temper of the convention was aggressive, energetic, and nationalistic. Republican orators and editors attacked the generally cautious foreign policy of President Grover Cleveland.²

The party's platform, which gave extensive attention to foreign affairs, demanded the acquisition of Hawaii, construction of a Nicaraguan canal, and purchase of the Danish islands in the Caribbean. It called for vigorous reassertion of the Monroe Doctrine and dramatically expressed deep sympathy with "the Cuban patriots" who were struggling against the "cruelty and oppression" of Spanish rule. The insistent applause and cheers that interrupted the reading of this Cuban plank indicate that Senator Henry Cabot Lodge, who drafted it, had correctly interpreted the sentiment of the convention.³ It is revealing, too, that the Cuban flag flew in the convention hall and that Fred Grant, President Grant's son, conspicuously waved a Cuban flag when the platform was read.⁴

The Democratic convention, held several weeks later, marked the climax of a series of traumatic events for that party. Agricultural and silverite factions in the Democratic party had been struggling for some years against the domination of the so-called Bourbons. Their uprising, in the view of most historians of the period, was the product of midwestern-rural frustration over the nature and control of the nation's economy.⁵ The nomination of Bryan strongly emphasized that the dissident Democrats now ruled the party. With Bryan as the standard-bearer, this faction hoped that it might now also rule the country. But substantial numbers of other Democrats fled

² St. Louis *Globe-Democrat*, June 18, 1896; *Washington Post*, June 18, 19, 1896.

³ St. Louis *Globe-Democrat*, June 18, 1896; W. W. Rockhill to James Harrison Wilson, June 24, 1896, James Harrison Wilson Papers (Manuscript Division, Library of Congress); *Washington Post*, June 17, 1896.

⁴ St. Louis *Globe-Democrat*, June 18, 19, 1896.

⁵ See, for example, Horace Samuel Merrill, *Bourbon Leader: Grover Cleveland and the Democratic Party* (Boston, 1957), 44-101, 139-71, 205-06; Fred A. Shannon, *The Farmer's Last Frontier: Agriculture, 1860-1897* (New York, 1945), 318-26.

the fold, aghast at what had happened to the party and alarmed for the fate of the nation.

Domestic economic questions and dramatic political events completely dominated the proceedings of the Democratic convention, with the result that little attention was given to foreign policy. The party's plank on Cuba was brief and routine in character, almost an afterthought. It said merely: "We extend our sympathy to the people of Cuba in their heroic struggle for liberty and independence." This section of the platform drew few cheers. When a Cuban flag was unfurled, the chairman of the convention ordered that it be lowered.⁶

The Populist party, whose convention was held last, largely occupied itself in a bitter fight over the issue of fusion with the Democrats. The Populists nevertheless paid some attention to foreign policy, especially to the question of Cuba. Shouts of "amen" were heard from the galleries when the Cuban plank of the platform was read, and hats and handkerchiefs were waved. The Populists clearly sympathized with the Cubans' struggle for liberty, which they could identify with their own battles against dark and distant powers. Their Cuban plank, though it was considerably briefer and less aggressive in tone than the Republicans' plank, was important because of the influence that it would exert on the Democratic party's views during the next two years: "We tender to the patriotic people of Cuba our deepest sympathy in their heroic struggle for political freedom and independence, and we believe the time has come when the United States, the great republic of the world, should recognize that Cuba is, and of right ought to be, a free and independent state."⁷ The reference to recognition of Cuban independence—"free Cuba"—would by 1898 be as significant to Democrats as "free silver" was in 1896.

By March 1898, the attitudes and postures of *both* major parties had undergone considerable changes. The Republicans gained confidence along with office. President William McKinley and his party held firm control of the House of Representatives and possessed a narrow working majority in the Senate.⁸ McKinley's personal popularity reached high levels. And, as the administration received reports that the depression was waning, its supporters proclaimed the return of prosperity under Republican government.⁹

⁶ *Washington Post*, July 9, 1896; *St. Louis Globe-Democrat*, July 9, 10, 1896.

⁷ *Washington Post*, July 25, 1896; *St. Louis Globe-Democrat*, July 17, 18, 20, 21, 25, 1896.

⁸ Out of eighty-nine senators, President William McKinley could count on forty-three Republicans who usually were loyal, one cooperative independent (James Kyle of South Dakota), and a few helpful Democrats such as George Gray of Delaware.

⁹ Lyman J. Gage to Samuel Gompers (copy), Jan. 10, 1898, Series I, William McKinley Papers (Manuscript Division, Library of Congress).

Republican prospects for the elections of 1898 and 1900 looked exceedingly good. In the spring of 1898, the Republican National Committee conducted an extensive political survey in all the states and territories, polling four thousand editors on a variety of questions. The results, which were compiled in mid-April and made available to the President, were astonishingly favorable. Seventy-six percent of the respondents indicated that, while "free silver" was still an important issue, it had lost considerable ground; 87 percent of the editors in Kansas and South Dakota were of this opinion, as were 85 percent in Nebraska, Wisconsin, and Michigan. More to the point, 89 percent of the editors thought that the Republicans would benefit as a result of the changes of opinion; again, the highest percentages of respondents predicting Republican gains were to be found in the politically vital Mississippi Valley.¹⁰

Whether the poll was accurate or not is less significant than the unquestionable fact that Republicans were confidently telling each other that they were doing well.¹¹ Only one cloud disturbed this sunny political vista. According to the Republicans' own poll, the new issue of "Cuba" had passed the "tariff" in importance as the second most urgent political question, although "Cuba" was not considered as important as "free silver."

President McKinley had been struggling with the issue of Cuba ever since he assumed office. At first he had attempted to provide relief for the island, to help end the rebellion peaceably, and to win concessions for the Cubans from Spain. Then he had sought by diplomacy to persuade Spain to give up what she could not possibly hold. Through March 1898, the President's policy was peace if at all possible. Despite the grievances of the de Lôme letter and the sinking of the *Maine*, he had carefully muted the clarification calls of the St. Louis convention of 1896. A handful of vocal Republican jingoes dissented vigorously, and the "yellow press" raged. But there was considerable public sentiment for responsible action.¹² And a number

¹⁰ O. P. Austin to Charles Dick (copy and report), April 23, 27, 1898, *ibid.*

¹¹ See, for example, Fred W. Holls to McKinley, March 3, 1898, *ibid.* Mark Hanna's victory in Ohio was greatly encouraging. A few weeks later, in another detailed political report to the President, Warner Sutton predicted fifty "straightout Republican" senators by 1899. Report, June 22, 1898, *ibid.*

¹² H. Wayne Morgan, *America's Road to Empire: The War with Spain and Overseas Expansion* (New York, 1965), 17-56. Interventionist Republican sentiment appears in Henry Cabot Lodge to McKinley, March 21, 1898, Series I, McKinley Papers; William E. Chandler to Paul Dana, March 29, 31, April 10, 1898, William E. Chandler Papers (Manuscript Division, Library of Congress). Evidence of the widespread cautious sentiment can be found in William Howard Taft to McKinley, March 30, 1898; W. R. Grace to McKinley, March 7, 1898; Gray to McKinley, March 1898, Series I, McKinley Papers. A corroborative summary of the President's mail is found in John A. Porter to John Hay, March 14, 1898, Series II, McKinley Papers. See also Vols. 202 and 203, Series III, McKinley Papers, and the extensive collection of letters urging a cautious policy in the John C. Spooner Papers (Manuscript Division, Library of Congress).

of prominent Republicans in the Senate—Nelson Aldrich, Thomas and Orville Platt, John Spooner, William Allison, Stephen Elkins, Mark Hanna, and others—strongly supported the President's cautious policy. So did Speaker Thomas B. Reed and the vast majority of Republicans in the House of Representatives. With their backing, McKinley maintained control of the political situation. On March 31 he still hoped to settle the Cuban question through diplomacy.¹³

In marked contrast to the Republican administration, by 1898 many Democrats in Congress had become jingoistic. Populistic influences were of substantial importance in bringing about this change. The original champion of Cuban independence in Congress was Senator William V. Allen, Populist of Nebraska. Beginning in December 1895 the bellicose Nebraskan repeatedly addressed the Senate on the desirability of recognizing Cuban belligerency and independence.¹⁴ Allen's three Populist colleagues in the Senate—Marion Butler of North Carolina, Henry Heitfield of Idaho, and George Turner of Washington—also spoke on these subjects, as did Representative Jerry Simpson of Kansas. They were joined by the six silver Republican senators: Henry Teller of Colorado, Richard Pettigrew of South Dakota, Lee Mantle of Montana, Frank Cannon of Utah, and William Stewart and John Jones of Nevada.

The views and moods of these men generally followed a distinct pattern during the period between the election of 1896 and the outbreak of war in 1898. At first they were frustrated over the defeat of Bryan and the financial policies of the McKinley administration. Then they were exhilarated over Cuba as a new issue and elated by the opportunity to criticize the cautious President. Finally, they were swept by new fears of economic exploitation, which were generated amidst the war fever of 1898 and which culminated in an emotional crisis and the conjuring up of a thesis of conspiracy.

The nature of this pattern can be seen readily in the case of Senator Stewart, whose outlook was fairly typical of the silver Republicans and Populists, and of many Bryan Democrats as well. Indeed, the columns and editorials of his Washington newspaper, *Silver Knight-Watchman, The Leading Bimetallic Journal of America*, provided an important outlet for the views

¹³ *Washington Post*, March 30, 31, 1898; Cornelius Bliss to Elihu Root, March 31, 1898, Elihu Root Papers (Manuscript Division, Library of Congress). The President described the subsequent change in his opinion in his message to Congress. *Cong. Record*, 55 Cong., 2 Sess., 3705-06 (April 11, 1898).

¹⁴ *Cong. Record*, 54 Cong., 1 Sess., 25, 134-35, 254-55 (Dec. 3, 11, 20, 1895). In these addresses William V. Allen disputed the contention that Populists were interested only in domestic issues and pledged his party's devotion to the Monroe Doctrine; he also revealed his anglophobia and economic fears.

of these political factions. During the early months of 1898, Stewart mingled an increasing amount of news about Cuba with his familiar praise of Bryan and the Teller resolution to make all United States bonds payable in silver. At this time, he urged Americans to become interested in Cuba for humanitarian and idealistic reasons. "Have we no bowels of compassion for a Maceo? a Gomez?" he asked.¹⁵

Stewart employed a conspiratorial mode of thought as he speculated about the obstacles to American involvement in the Cuban situation. Speaker Reed and McKinley had blocked efforts at intervention, he reasoned, because "they acknowledge fealty to a power more potent than the dictates of humanity or the will of the American people, the will of the clientele of wealth who are the holders of Spanish bonds." (He referred to bonds issued by Spain to meet the costs of suppressing the insurrection; Cuba was in effect the collateral.) Stewart declared that the President was "bound hand and foot to the money power" when he refused to grant diplomatic recognition to the Cuban junta even after the disclosure of the de Lôme letter. The Senator now felt certain that "the wild clamor of the Republican National Convention for the emancipation of Cuba" was merely "a vote-getting device." Though he advised against premature judgments about the destruction of the *Maine*, he warned that "the McKinley-Hanna-Cuban bonds administration will make an accident out of it if they possibly can."¹⁶

Some fellow silverites cautioned that governments "in trouble" resorted "to a foreign war," and that the Republican administration might follow this path. But Stewart took the position that the so-called "Cuban bonds" were financial "chains of slavery" which must be repudiated, and that war was therefore necessary. He could see another possible advantage in war, too: "If a war with Spain were large enough to force the United States to resort to the exercise of the sovereign power of the nation to create legal tender money without regard to the material upon which it is printed or stamped, it would not be an unmitigated evil."¹⁷

By mid-March, however, Stewart conjectured that the "Wall Street assignees of the Republican party" might try to purchase Cuba through a gigantic "bond deal," thus avoiding war and simultaneously saddling the Cuban

¹⁵ *Silver Knight-Watchman* (Washington, D.C.) Jan. 27, Feb. 3, 1898.

¹⁶ *Ibid.*, Feb. 3, 17, 24, 1898. Republican Senator John Thurston of Nebraska voiced similar views. *Cong. Record*, 55 Cong., 2 Sess., 3164 (March 24, 1898); the pro-Bryan *Washington Evening Times*, March 28, 1898, concurred.

¹⁷ *Silver Knight-Watchman*, March 3, 1898. Senator John T. Morgan of Alabama agreed with William M. Stewart. *New York Times*, March 12, 1898. After the declaration of war, the Populists and silver Republicans in Congress agitated for issuance of legal-tender Treasury notes, the coinage of silver, and postal savings to finance the conflict.

people with a heavy debt. An alternative possible danger that he foresaw was an issuance of gold bonds in case of war; such a "bond swindle" would "enslave the people" of the United States.¹⁸ Stewart concluded that McKinley would make his decision for peace or war upon financial considerations: "The question is, would the bondholders who hold Cuban bonds lose more by the independence of Cuba and a war with Spain than they could make in buying and selling United States bonds, which a war, they think, would necessitate issuing. It is a matter of dollars with them. . . ."¹⁹

No comparable doubts existed about the objectives of the Democratic party. The vast majority of Democratic congressmen, including a few gold Democrats, vehemently advocated war. Bryan, who had been virtually as cautious as McKinley, announced at the end of March that the time had come for intervention; and the Omaha *World-Herald*, then one of the Peerless Leader's chief spokesmen, denounced the Republicans as "the peace party."²⁰ The "trouble with our impatient friends on the other side," retorted Republican Representative Galusha Grow of Pennsylvania, is "that they are afraid of losing a chance for war."²¹ Such rejoinders seemed only to make the war hawks in the Democratic party more aggressive.

The Democrats, moreover, now spread the rumors about financial influences that the Populists and silver Republicans had spawned. Representative Joseph—"Fighting Joe"—Wheeler of Alabama demanded that Congress investigate the implications of the Spanish debt. "We are informed," he told the House on March 21, 1898, "that more than \$400,000,000 of bonds have been issued by Spain, the interest and principal depending upon the revenues Spain can draw from Cuba. We are informed that the owners of these bonds are the principal force behind what is called 'the conservative policy of the United States,' which has prevented action on the part of this Government. The truth or falsity of these statements should be investigated and made known to Congress and to the country."²²

The "conservative" Republicans denied the need for an inquiry. Representative Charles H. Grosvenor of Ohio, a friend of the President, asserted

¹⁸ *Silver Knight-Watchman*, March 10, 17, 1898.

¹⁹ *Ibid.*, March 24, 1898.

²⁰ Omaha *World-Herald*, April 1, 1898.

²¹ *Cong. Record*, 55 Cong., 2 Sess., 3439 (March 31, 1898).

²² *Ibid.*, 3039 (March 21, 1898). Acting Secretary of State John Bassett Moore calculated the amount of the debt at \$455,000,000. His detailed analysis and history of the debt appear in *Senate Docs.* No. 62, 55 Cong., 3 Sess. (Serial 3732), Part 2, pp. 48-50. *Le Monde Economique*, April 23, 1898, states that two thirds of the debt was held in Spain, about one sixth in France. See also Leland Jenks, *Our Cuban Colony, A Study in Sugar* (New York, 1928), 320. Of possible significance is a brief note that appeared in the *New York Tribune*, May 24, 1897. The Spanish government was unable to interest bankers abroad in floating a war loan of \$40,000,000 and turned to the Bank of Spain, which had to raise the money in Spain.

that the administration had no idea of making Cuba buy its independence and denounced "the whole idle tattle of this character in the newspapers."²³ But his arguments were of no avail in quieting the complaints of those Democrats, Populists, and silver Republicans who favored war. Several Republican jingoes raised a similar clamor. Indeed, many of the advocates of war now espoused a full-fledged theory of a "bond conspiracy."

The unadorned version of the theory was that McKinley and the holders of the "Cuban bonds" issued by the Spanish government were conspiring to prevent war or to transfer the debt to Cuba or to the United States. Reports of this nature titillated the imaginations of politicians who had been fulminating for years against Wall Street, Lombard Street, the "goldbugs," Hanna, and the Rothschilds. It seemed evident to frustrated agrarian radicals and silverites, to congressmen seeking an issue, and to other impatient advocates of war that McKinley must have possessed some ulterior motive in delaying so long to report to Congress on the sinking of the *Maine*, and then in resuming negotiations with Spain over Cuba.

The theory of a conspiracy still might not have gained widespread currency if it had not been for a series of news stories that aroused suspicions. Each story was based on actual happenings, but the embellishments added by editors and politicians gave the events distorted significance.

The first story was concocted from tidbits of information from the President's calendar. On Saturday, March 26, McKinley talked with several influential congressmen about his bill for Cuban relief. He also saw several members of his cabinet about administrative matters and received other callers, including Henry Cannon, the president of the Chase National Bank of New York, who urged him to continue diplomatic negotiations with Spain. On Saturday evening, the President dined with Vice President Garret Hobart and Senator Charles Fairbanks; later he received Secretary of the Navy John Long and Attorney General John Griggs. On Sunday, the President spent a quiet day; however, a number of cabinet members came by, and he conferred with John A. McCall, the president of the New York Life Insurance Company, who had just travelled around the United States and apprised McKinley of the state of public opinion.²⁴

These details are important because they provided the stuff from which a tale of midnight conspiracy was made. The pro-Bryan newspapers in Washington and other vehement advocates of war distorted the report of routine comings and goings, condensed the President's schedule for an entire weekend into an imaginary gathering, mingled information about other

²³ *Cong. Record*, 55 Cong., 2 Sess., 3439 (March 31, 1898).

²⁴ *New York Times*, March 27, 28, 29, 1898; *Washington Post*, March 27, 29, 1898.

visitors to Washington in their stories, and garnished the resulting fable with mention of allegedly malevolent figures, notably Hanna and various bankers and brokers. The Washington *Evening Times*, for example, reported: "It is asserted, on the highest authority[,], that on Sunday at midnight the President left the White House with Senator Hanna and proceeded to the residence of Vice-President Hobart, where he had a conference with such eminent financiers as [Cornelius] Bliss, [Lyman] Gage [both members of the cabinet], John G. Moore, of the firm of Moore and Schley, of this city, Col. Paine and Henry W. Cannon, president of the Chase National Bank."²⁵

Significantly, this story—and the hostile interpretation of the meaning of the "conference"—appeared in the press only on Tuesday, March 29, after the occurrence of a second event. This was a sharp rise on the stock market in New York on Monday, one of the most active days in the history of the exchange. "Sugar," as the American Sugar Refining Company was called, dipped slightly and then jumped almost eleven dollars a share within a few hours; other speculative stocks went up from three to ten points. The rise was as disturbing psychologically to the advocates of war as it was financially to the bears of Wall Street.

Insofar as the movement of the market can be explained, the spurt on Monday may be accounted for. There had been overselling the previous week in anticipation of war; this trend was reversed by numerous stories from Washington suggesting the continuance of peace, by authoritative accounts of the President's intention to pursue diplomatic negotiations, and by an encouraging financial report which dispelled fears that money might be in short supply.²⁶ Pro-war papers and pro-Bryan congressmen, however, traced the market's upward surge to McKinley's "secret conference" or commented that "the Gage-Bliss-Hanna clique had given out a week ago that the time would be ripe for a bull-raid when Mr. McKinley sent the 'Maine' report with his message to Congress."²⁷

²⁵ Washington *Evening Times*, March 29, 1898. See also *Silver Knight-Watchman*, March 31, 1898. John G. Moore was a stockbroker who had returned to Washington from a vacation in Florida; whether he saw the President is uncertain.

²⁶ New York *Times*, March 29, 1898. The Washington *Post*, March 30, 1898, reported that the state department's cipher was missing and that there had been a disclosure of a plan by General Stewart Woodford, the United States minister to Spain, for an armistice. This rumor was never confirmed, and the "armistice plan" does not seem to have affected Wall Street. It is undeniable that the government's procedures for security at this time were inadequate.

²⁷ The bears were furious, reputedly complaining: "A Democrat will be inaugurated in 1901" and "Good-bye McKinley and the Republican party." New York *Times*, March 29, 1898. The *Silver Knight-Watchman*, April 7, 1898, contended that "the Spanish bulls of the street crockery-shop" had "arranged" the market "to make the bears sweat." There was a heated debate in Congress over the behavior of the market. *Cong. Record*, 55 Cong., 2 Sess., 3681-85 (April 7, 1898).

The third story, which came to light on Wednesday, March 30, culminated the sequence of "suspicious occurrences" and inspired important action by a number of congressmen. Because these events involve a complicated and long-ignored phase of American history, it will be necessary to summarize the story briefly, then to explain what lay behind it, and finally to indicate the implications.

The story once again involved the "Cuban bonds" issued by Spain to pay the costs of suppressing the insurrection in Cuba. The Washington *Evening Times* reported that an international syndicate had purchased \$200,000,000 of these bonds at forty-two cents on the dollar. "Among the coparceners in the deal," the *Evening Times* revealed, "are certain of the greatest financiers of England, France, and Germany." This paper and others fretted that the people of Cuba might be made to shoulder the debt for the profit of the syndicate.²⁸

So far the report was only another version of a familiar alarum. But now a new ingredient was added: the report that an international syndicate planned to negotiate the purchase of Cuba from Spain for \$200,000,000. American, English, French, and Spanish financiers were each to take \$50,000,000 in bonds. Some versions had it that the United States would supervise the collection of funds to retire the bonds. It is "the old purchase scheme revived, with some changes," the Washington *Post* commented, adding that Colonel John J. McCook had fathered the plan. The *Post* carefully pointed out that Spain, which had not taken the initiative to promote such a deal, opposed selling Cuba.²⁹ But other, more radical newspapers overlooked this fact in their determination to denounce the financiers of "Wall Street, Lombard Street, Paris, and Berlin." "No wonder Mr. McKinley should give aid and countenance to such a noble project," the Washington *Evening Times* exclaimed scornfully. This paper featured an interview with Colonel McCook, whom it described as the head of a syndicate eager to purchase bonds. It also noted with interest McCook's visits to the White House and to the navy department and his statement that the administration and the Cubans favored his ideas.³⁰

McCook's name alone was enough to arouse suspicion among Bryan Democrats and Populists. The youngest of the fifteen "fighting McCooks" of Ohio who had won fame in the Civil War, Colonel McCook was a figure of importance in legal and financial circles. He was senior member of the law firm of Alexander and Green in New York City, counsel and

²⁸ Washington *Evening Times*, March 30, 1898.

²⁹ Washington *Post*, March 30, 1898. Suspicion of a plan to buy Cuba was also voiced in Congress. *Cong. Record*, 55 Cong., 2 Sess., 3164 (March 24, 1898).

³⁰ Washington *Evening Times*, March 30, 1898.

later receiver of the Atchison, Topeka and Santa Fe Railroad, legal adviser and director of the Equitable Life Assurance Society, a director of the Mercantile Trust Company, and a trustee of Princeton University and Kenyon College. One of his daughters was married to the nephew of J. P. Morgan.³¹

McCook never ran for public office, but he belonged to the politically influential Union League Club. In 1897 President-elect McKinley considered him for the post of attorney general.³² Hanna, who was a confidante of McCook's cousin Anson McCook (city chamberlain of New York and a former congressman from Ohio), read endorsements of McCook to McKinley.³³ The McCook family records indicate that McKinley three times offered the attorney generalship to Colonel McCook; whether these were firm offers is uncertain.³⁴ McKinley and McCook remained friends, in any event, and the Colonel and his family visited the President on several occasions.

McCook was doubly suspect to the Bryanites and Populists because of his position in the financial world and his ties to McKinley, Hanna, and Attorney General Griggs. Some newspaper accounts made him appear determined to turn a profit from the Cuban insurrection by *obstructing* Cuban independence and by burdening the island with a heavy debt. This was not the real story.

Ironically, McCook was intimately involved in the affairs of the Cuban revolutionary junta in New York, which he served as a legal adviser. His talk of financial deals had the blessings of the rebels,³⁵ whose cause he

³¹ Box 17, John J. McCook Papers (Manuscript Division, Library of Congress); New York *Tribune*, Sept. 18, 1911. Contrary to rumors that circulated in 1897, McCook apparently had no connection with the American Sugar Refining Company. See New York *Tribune*, Feb. 20, 1897.

³² Box 17, John J. McCook Papers; Margaret Leech, *In the Days of McKinley* (New York, 1959), 107; H. Wayne Morgan, *William McKinley and His America* (Syracuse, 1963), 264.

³³ Hanna to Anson McCook, Feb. 18, 1897, uncatalogued McCook Papers (Manuscript Division, Library of Congress).

³⁴ McKinley skillfully made many unsuccessful aspirants think that they really had been considered seriously.

³⁵ John J. McCook to J. H. Wilson, Jan. 22, 1898, Wilson Papers. It would not have suited the conspiracy thesis for McCook to be linked with a Cuban insurgent financial scheme, but such in fact was the case. On Aug. 5, 1897, the insurgents authorized McCook to act as their agent with the task of persuading the United States to serve as a trustee in a plan to secure Cuban independence. The Cubans offered to pay 150,000,000 Cuban *pesos* (each worth less than a dollar) to be raised from customs receipts; but they declared expressly that they would not accept or recognize the debt that Spain had contracted. New York banker Samuel Janney of Christy and Janney was to negotiate with Spain. The Cubans negotiated a second contract with Janney on Nov. 26, 1897. They now agreed to turn over only 37,500,000 *pesos* worth of Cuban government bonds to Janney in return for securing Spanish evacuation and recognition of Cuban independence by Spain.

championed enthusiastically. In January 1898, for example, he promoted a plan to raise money in the United States for the rebels. In February he delivered the original copy of the de Lôme letter to President McKinley.³⁶ When the President did not immediately sever relations with Spain, McCook wrote to a friend expressing sincere disappointment and concern that the United States would not enter the war until the unhealthy rainy season in Cuba had begun. He worried too that there would be new hindrances in sending supplies to the Cubans, "who are fighting for liberty," but he believed that they would "finally win their independence."³⁷

President McKinley, who was well aware of McCook's sympathies, learned upon inquiry that the Colonel was closely associated with the Cuban junta.³⁸ He nevertheless continued to see McCook in private and received advice from him. McCook's letters and memoranda to McKinley are interesting statements because they explode the allegation current in Washington that he and his syndicate were opposing Cuban independence and that the "conspiracy" involved the President's cooperation. On March 22, 1898, for example, McCook wrote two letters to McKinley and sent him three legal briefs. He argued that American intervention in Cuba was justified under international law, contended that the "Cuban bonds" issued by Spain could not possibly be charged against Cuba if it gained freedom, and stated that the Cubans insisted upon complete independence. He did not mention any new bond deal but advocated immediate recognition of the republic of Cuba.³⁹ McKinley, however, differed sharply with McCook on this crucial last point.

The President would not have been interested at this time in any finan-

and by the United States. Under this contract no indemnity was to be paid to Spain. Joaquín Llaverías y Martínez and Emeterio S. Santovenia, eds., *Actas de las asambleas de representantes y del Consejo de gobierno durante la guerra de independencia*, III (Havana, 1928-), 67-77, 115-16. See also David F. Healy, *The United States in Cuba 1898-1902: Generals, Politicians, and the Search for Policy* (Madison, 1963), 14-16. McCook, as agent and friend of the insurgents, consistently upheld their wishes on the issues of the purchase plans, the Spanish debt, and recognition of Cuban independence.

³⁶ John J. McCook to J. H. Wilson, Feb. 10, 14, 1898, Wilson Papers. On March 12, when the stock market fluttered over the prospect of war, McCook expressed to Wilson his scorn for men "base enough" to circulate rumors in order "to profit irrespective of the public interest." It is possible, however, that McCook profited from his work for the Cuban junta, but available documents leave the matter in doubt. See Llaverías and Santovenia, *Actas de las asambleas*, III, 67-77, IV, 61-66. Some inconclusive allegations appear in an error-filled account of the period by Herminio Portell Vilá, *Historia de Cuba en sus relaciones con los Estados Unidos y España* (4 vols., Havana, 1938-1941), III, 348-64, 441-51.

³⁷ John J. McCook to J. H. Wilson, March 26, 1898, Wilson Papers. Nevertheless McCook expressed admiration for McKinley.

³⁸ Whitelaw Reid to McKinley, March 8, 1898, Series I, McKinley Papers.

³⁹ John J. McCook to McKinley, March 22, 1898, *ibid.* McCook held that Cuba would be lost collateral and that Spain would have to pay the bondholders.

cial scheme involving Cuba if McCook had proposed one. In the spring of 1897 he had discussed with several advisers and visitors the possibility of buying Cuba.⁴⁰ Spain publicly rejected any such proposition in May 1897. McKinley did not immediately give up the scheme, and Colonel McCook may have been busy promoting it though he denied that he had any such intention.⁴¹ McKinley displayed interest in the idea again in the autumn of 1897 and the late winter of 1898. But he appears to have given up hope for such a solution by approximately March 25, 1898. One of the minor ironies of this period is that Henry Cabot Lodge, generally regarded as a war hawk, was among the last persons to suggest a financial settlement of the Cuban crisis to McKinley. Lodge wrote to the President on March 21, 1898, that such a solution would be popular in Massachusetts, but he supposed the idea impractical "because Spanish folly would not listen to it."⁴² Four days later, McKinley heard from sources in Europe that Spain could never receive any proposal for a monetary settlement.⁴³ Thereafter the President abandoned the plan.

While McKinley had at last forsaken the improbable idea of settling the insurrection by buying Cuba's freedom, skittish pro-Bryan Democrats, Populists, and other war hawks in Congress were just warming to the prospect. Alarmed by the stories in the press, they became exceedingly fearful that the President would betray Cuba to Wall Street. Thus, on Tuesday, March 29, the Populists and silver Republicans caucused and composed a resolution demanding the recognition of the "Republic of Cuba."⁴⁴ The essential aim of the resolution was to invalidate the "Cuban bonds."

⁴⁰ Morgan, *America's Road to Empire*, 26; Lyman J. Gage, *Memoirs of Lyman J. Gage* (New York, 1937), 126, also refers vaguely to a scheme to buy Cuba; Ernest R. May, *Imperial Democracy: The Emergence of America as a Great Power* (New York, 1961), 150, assumes that Gage's memoirs refer to events of late March 1898; it is more likely that Gage meant a slightly earlier date.

⁴¹ A story about McCook's plan appeared in the *New York World*, May 27, 1897. McCook's credible denial is in the *New York Tribune*, May 28, 1897. But Rockhill, an ambitious young officer in the Department of State, wrote to a mutual friend in June 1897: "If McCook buys Cuba there may be an opening for me there." Rockhill to J. H. Wilson, June 22, 1897, Wilson Papers.

⁴² Lodge to McKinley, March 21, 1898, Series I, McKinley Papers.

⁴³ Gardner G. Holland to John Russell Young, March 25, 1898, *ibid.* Two months after the outbreak of war, Lord Rothschild, apparently on behalf of the Spanish bondholders, wrote to Chauncey Depew to inquire if the United States would consider providing for the assumption by Cuba of at least part of the Spanish debt. Depew consulted with the President and replied that this might have been done at one time but was no longer possible. Rothschild expressed appreciation for the information, concluding sadly, "I am afraid that there is nothing to do at present but to wait." Rothschild to Depew, Depew to Rothschild, both June 22, 1898, Series I, McKinley Papers. No evidence of anti-semitism appeared in the pro-war press at this time; and Rothschild's name was mentioned only once, in the *Silver Knight-Watchman*, Feb. 24, 1898.

⁴⁴ Omaha *World-Herald*, March 30, 1898; Washington *Post*, March 30, 1898.

The pro-Bryan Democrats had joined the fray by March 31. Their emotional speeches clearly revealed the influence of recent newspaper accounts alleging suspicious activities. Representative J. Hamilton Lewis of Washington, for instance, denounced the "vultures wheeling around the head of the President" and the "banditti" who demanded that McKinley "sell the liberties of the Island of Cuba to them for \$200,000,000 and allow [them] a mortgage upon the tax facilities of Cuba." Lewis stated that the financiers had threatened McKinley, telling him "on Sunday night that if he took drastic action which would affect their securities they would present their obligations against the Government payable in gold and take \$50,000,000 of gold out of the Treasury in one day, thus weakening the financial vertebrae of the nation, that wriggling she would fall."⁴⁵ Other congressmen charged that McKinley was not a victim but part of the conspiracy,⁴⁶ while Minority Leader Joseph Bailey of Texas warned the Republicans that they would "never outlive the odium" if they forced the Cubans "to buy that liberty which God has given to them."⁴⁷

Bryan merely urged the Democrats to press for the recognition of the Cuban republic. But the Omaha *World-Herald* declared that "a compact known as the Allied Insurance Companies of America" had purchased \$70,000,000 of Spanish bonds, which were declining in value. The companies' adviser was said to be "a man who seems to have supreme control of a majority in the lower house of the American congress," presumably meaning Speaker Reed. Thus, concluded the *World-Herald*, the United States must choose between "the national honor and the protection of the Allied Insurance Companies."⁴⁸

On April 11, McKinley asked Congress for authority to intervene in the Cuban crisis but expressed opposition to granting recognition to the Cuban rebels. His reasons were that the junta did not yet deserve recognition and that the United States must have freedom of action to deal with Spain.⁴⁹ But radical and war-hawk congressmen, including some Republicans who usually backed McKinley, misunderstood his purpose and voiced the cry that Cuba would be betrayed.⁵⁰ Lines formed in Congress on the question

⁴⁵ *Cong. Record*, 55 Cong., 2 Sess., 3433-34 (March 31, 1898).

⁴⁶ *Ibid.*

⁴⁷ *Ibid.*, 3438 (March 31, 1898). One frenzied congressman told McKinley that he was doing the bidding of Wall Street. Charles S. Olcott, *The Life of William McKinley* (2 vols., Boston, 1916), II, 342.

⁴⁸ Omaha *World-Herald*, April 6, 1898.

⁴⁹ This point and the important debate that ensued are discussed in Paul S. Holbo, "Presidential Leadership in Foreign Affairs: William McKinley and the Turpie-Foraker Resolution," *American Historical Review*, LXXII (July 1967), 1321-35.

⁵⁰ The advocates of war and recognition of Cuban independence often referred to themselves as "radicals." See Chandler to Dana, April 13, 1898, Chandler Papers. Chandler

of recognition, and the President came under sharp attack. Pro-Bryan newspapers warned that the "bond sharks" were stalling for time in order to block recognition; the *Washington Evening Times* even asserted that McKinley was being "held incomunicado [sic] in the White House by his master," Hanna.⁵¹ The *Evening Times* invoked religious as well as economic prejudice when the debate on McKinley's policies became intense: "Although Assistant Secretary [William R.] Day still continues nominally to fill the shoes of John Sherman, the real Secretary of State is [Archbishop John] Ireland. To his tonsured head all the eyes of Wall and Lombard Streets are turned and to his sanctified personality the Spanish bond conspirators look as their last hope for monetary salvation."⁵²

President McKinley and his supporters in Congress held firm on the pivotal issue of recognition but made minor concessions to the radicals. One gesture was acceptance of the so-called Teller amendment, disclaiming any intention by the United States "to exercise sovereignty, jurisdiction or control" over Cuba. The President agreed to the amendment because he had no intention to take over the island. Congress accepted the amendment without debate and by voice vote.⁵³ The amendment was not thought important at the time, and the press did little more than report it.

Teller's biographer has suggested that the Senator intended to give Spain a chance to back down peacefully and that he hoped an independent Cuba might seek to be annexed to the United States.⁵⁴ Actually, Teller's original resolution was ill-devised for saving Spanish pride; it threatened intervention. The biographer's second conjecture about the desire of Teller for eventual voluntary annexation of Cuba may be partially valid. At least one other advocate of Cuban independence, Senator Joseph B. Foraker of Ohio, had similar long-range designs on the island.⁵⁵

told Dana on April 14 that "the belief exists that the \$500,000,000 of Spanish bonds are to be protected in some way if the revolutionists are not recognized." Senator George Hoar answered the barrage of charges made on the floor of Congress by arguing that the United States would assume no more obligation in Cuba than a fireman did who put out a fire in a house that happened to have a mortgage on it; and Senator John C. Spooner added: "there could not be a mortgage liability." *Cong. Record*, 55 Cong., 2 Sess., 3786-87 (April 13, 1898).

⁵¹ *Washington Evening Times*, April 12, 13, 1898. Similar views appear in George B. Cowlan to Chandler, and B. O. Flower to Chandler, April 15, 1898, Chandler Papers.

⁵² *Washington Evening Times*, April 15, 1898. The relative importance of anti-semitism and anti-Catholicism in Populist circles is touched upon in Paul S. Holbo, "Wheat or What? Populism and American Fascism," *Western Political Quarterly*, XIV (Sept. 1961), 734-35. The *Evening Times'* outbursts of April 15 and 16 may have been triggered by the last-minute efforts of the Vatican to avert war. Ireland was active in the negotiations.

⁵³ *Cong. Record*, 55 Cong., 2 Sess., 3954, 3988 (April 16, 1898), refers to the Senate's actions; the House never dealt exclusively with the amendment.

⁵⁴ Elmer Ellis, *Henry Moore Teller, Defender of the West* (Caldwell, Idaho, 1941), 311.

⁵⁵ Joseph B. Foraker to Chandler, Oct. 18, 1898, Chandler Papers.

The point of importance, however, is that Teller opposed the immediate acquisition of Cuba. That he took this position appears paradoxical, for he was an avowed expansionist who some years earlier had advocated annexing Cuba. He also favored the annexation of Hawaii, later voted for acquisition of the Philippine Islands, and opposed anti-imperialism as an issue in 1900.⁵⁶ On the face of it Teller should have supported rather than attempted to block the annexation of Cuba. The explanation for the position he took in April 1898 is once again to be found in current reports about the "Cuban bonds." The original Teller resolution of April 16 revealed his characteristic fear of financial machinations; it asked that the Cuban republic be recognized, which in his view would have invalidated the bonds. Teller's concern became even more evident on April 20 when he warned the Senate of the danger of "the recognition of certain bonds," an "opportunity," he said, "such as rarely comes to men for peculations, for the organization of combines and syndicates and trusts."⁵⁷

Congress accepted only part of Teller's resolution, a qualifying clause that historians have labelled the Teller amendment. It consisted of a corollary to the familiar silverite thesis. The clause was meant to prevent the United States from exercising legal authority over Cuba, and thus becoming a substitute guarantor of the Spanish securities or perhaps the originator of a new issue of bonds. A final point worthy of note is that the Teller amendment would not have been adopted except for the excitement that the stories about the bonds had created.

Books dealing with American history have almost without exception treated the Teller amendment as an idealistic declaration that momentarily blocked American imperialism in Cuba. Admittedly, some idealistic members of all parties supported the measure, which did show genuine concern for the welfare of the Cuban people and eagerness for the establishment of republican government. But to emphasize only the idealism of the amendment is to ignore the other motives of its author and the emotional context of its enactment.

The standard analysis of this period of American history, which has

⁵⁶ Senators Stewart, Lee Mantle, Kyle, Frank Cannon, Henry Heitfield, and William Harris shared Teller's views on Hawaii; John P. Jones joined them on the issue of the treaty of peace with Spain. Allen, Richard Pettigrew, and Marion Butler disagreed. The expansionist Democrats included Morgan, Edmund Pettus, Charles Faulkner, William Lindsay, and Gray.

⁵⁷ *Cong. Record*, 55 Cong., 2 Sess., 4094 (April 20, 1898). Ironically, following the war the Cubans paid Janney \$2,000,000 in bonds for his work, which allegedly involved making payments to congressmen who promoted the Teller amendment! Portell Vilá, *Historia de Cuba*, III, 446-51, voices deep suspicions, but his account is unreliable. A fair minded discussion of this matter appears in Healy, *The United States in Cuba*, 24-27. Important documents are in Llaverías and Santovenia, *Actas de las asambleas*, IV, 61-66.

idealists, supporters of peace, and anti-imperialists neatly arrayed against war hawks and imperialists, must be discarded. Such an interpretation scrambles chronology, misattributes motives, and creates categories and alignments that did not exist in April 1898. The fact is that both the supporters and the opponents of the President included men of widely different opinions on war and on expansion.

To an extent, the political groupings in April 1898 can be identified by party and by faction. But the significant divisions of the moment were based upon psychological attitudes and ideology. The most prominent champions of a republic of Cuba included a number of the leading advocates of war against Spain. Many of these men favored recognition of Cuban independence because they were hagridden with suspicions about the aims of their government, which they believed was involved in a financial conspiracy. Some of them were actually ardent expansionists, including most of the silver Republicans and a smaller number of Democrats and Populists. McKinley and his backers believed that the warlike Populists and Democrats, and certain Republican war hawks as well, were trying to obstruct the President's efforts to deal firmly but cautiously with the Cuban situation and to limit his powers, and that the opposition had become hysterically suspicious about the alleged influence of Wall Street.

The McKinley administration held firm on the issue of recognizing a Cuban republic and was pleased to win its way.⁵⁸ The supporters of recognition, in contrast, mourned their defeat and blamed selfish interests for the turn of events. Stewart's *Silver Knight-Watchman*, for instance, declared: "Not that the Republican Senators and Congressmen loved free Cuba less, but they loved Hanna's administration and bondholders more. Therefore the Republic of Cuba was not recognized."⁵⁹

The story of the emotional crisis might well have ended at this point. But certain of McKinley's opponents did not abandon their suspicious attitudes with the outbreak of war. The results were again important. Throughout the early summer of 1898, Stewart and other expansionist silverites worried that Cuba's "lands and revenues" might be "parcelled out"

⁵⁸ *New York Times*, April 20, 1898; Bliss to Root, April 19, 1898, Root Papers.

⁵⁹ *Silver Knight-Watchman*, April 21, 1898. John C. Ridpath concluded that "the goldite oligarchy in the United States and the party opposing Cuban independence are identical." He declared that the senators who voted against recognition of the Cuban republic made up the "American Committee of THE INVISIBLE EMPIRE," and he identified them further as "lank-jawed, cadaverous, ossified Shylocks." John Clark Ridpath, "The Invisible Empire," *Arena*, XXIX (June 1898), 828-29, 832. See also the editorial in the *Omaha World-Herald*, Nov. 5, 1898, entitled "Whose War Was It?" The editor credited the Populists and Democrats with favoring war, and "Czar" Reed, the bondholders, and the Republicans with opposing action.

for the sake of the "bond deal." Simultaneously, they strongly approved the action of Congress in annexing Hawaii, seeing this as a repudiation of "the infamous policy of Cleveland and Paramount Blount in hauling down the American flag."⁶⁰ As the country's attention shifted to the Philippines, the silverites stated vehemently that these islands must not be "robbed, plundered or overpowered by any foreign foe." For a time they also worried that sinister bondholders wanted Spain "to hold the Philippines just as they want her to hold Cuba. These great colonies are the cows which give the milk to pay the interest on the Spanish bonds."⁶¹

But in early August 1898, Stewart hit upon a new and reassuring line of reasoning. He contended that the "threat" posed by the bondholders against Cuba could not possibly be repeated in the case of the Philippines. Spain had no claim against the Philippine Islands for its bonds, Stewart argued, because of Admiral George Dewey's action: "The Philippine Islands belong to the United States by *right of Conquest*. Dewey's victory in the harbor of Manila extinguished Spain's title to them and invested sovereignty over them in the government of the United States. . . ."⁶² Stewart had also discovered the answer to questions about the eventual fate of the islands: "What shall be done with the Philippines can be determined by the American people through their Congress *after a treaty of peace has been ratified*."⁶³

The currency among influential silver Republicans of such a strategy for dealing with the Philippines helps to clear up an old mystery: why Bryan aided passage of the treaty of peace with Spain by advising the Senate to ratify the agreement first and to deal with the status of the Philippines later. It is well known that his position dismayed the anti-imperialists during the subsequent fight over the treaty. But it has been forgotten that Bryan's stand reconciled other elements whose support he needed. When Bryan first advocated delaying the decision on the Philippines, just after he was mustered out of military service in December 1898, the *Silver Knight-Watchman* exulted: "Mr. Bryan is right."⁶⁴ Thereafter, the imperialistic bi-metallists championed Bryan's causes and his candidacy with new vigor.

⁶⁰ *Silver Knight-Watchman*, May 5, July 14, 1898.

⁶¹ *Ibid.*, June 30, July 21, Aug. 4, 1898.

⁶² *Ibid.*, Aug. 11, 1898. Stewart argued that Spain's Philippine debt was on an entirely different basis than her Cuban debt. He again opposed any assumption of responsibility by the United States. *Ibid.*, Nov. 3, 10, 1898.

⁶³ *Ibid.*, Aug. 11, 1898.

⁶⁴ *Ibid.*, Dec. 22, 1898. William J. Bryan's influence should not be overrated. There is evidence that McKinley's maneuverings and the activities of Senators Elkins, Hanna, and Spooner were far more important in accomplishing ratification of the treaty. John K. Cowen to McKinley, Jan. 25, 1899; Hanna to McKinley, Feb. 7, 9, 1899; C. K. Davis to McKinley, Feb. 9, 1899, Series I, McKinley Papers.

For the time being, the Silver Tongued Orator had found a position that satisfied his own conscience and preserved his political coalition by placating both his expansionist followers and the moderate anti-imperialists.⁶⁵ But the subject of the political tension and anxiety of the Bryan forces and the assured confidence of the McKinley Republicans as they faced the new issues of 1899 deserves extensive additional investigation.⁶⁶

⁶⁵ See the editorials in the Omaha *World-Herald*, Nov. 5, Dec. 2, 6, 22, 24, 25, 1898.

⁶⁶ The American peace commissioners at Paris received orders that "under no circumstances will the Government of the United States assume any part of what is known as the Cuban debt." John Hay to William Day, Oct. 25, 1898, *House Docs.*, 55 Cong., 3 Sess. (Serial 3743), I, 932. See also H. Wayne Morgan, ed., *Making Peace with Spain: The Diary of Whitelaw Reid, September-December 1898* (Austin, 1965), 114. Article XVI of the Treaty of Paris at last settled the matter by limiting the financial obligations of the United States with regard to Cuba "to the time of its occupancy thereof."